

1 UNITED STATES BANKRUPTCY COURT  
2 NORTHERN DISTRICT OF CALIFORNIA  
3 SAN FRANCISCO DIVISION

4 In re:

5 PG&E CORPORATION,

6 - and -

7 PACIFIC GAS AND ELECTRIC  
8 COMPANY,

Debtors.

Bankruptcy Case  
No. 19-30088 (DM)

Chapter 11  
(Lead Case)  
(Jointly Administered)

**FIRST AND FINAL APPLICATION  
OF DUNDON ADVISERS LLC FOR  
ALLOWANCE AND PAYMENT OF  
COMPENSATION AND  
REIMBURSEMENT OF EXPENSES  
FOR THE PERIOD MARCH 1, 2019  
THROUGH AUGUST 31, 2019**

Hearing date: TBD

**OBJECTION DEADLINE:**  
December 4, 2019 at 4:00 p.m. (PDT)

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10 ☐ Affects PG&E Corporation

11 ☐ Affects Pacific Gas and Electric Company

12 ☒ Affects both Debtors

13 *\* All papers shall be filed in the Lead Case,  
14 No. 19-30088 (DM).*

15 To: The Notice Parties

16 Name of Applicant:

Dundon Advisers LLC, Financial Advisor for  
the Official Committee of Tort Claimants

18 Authorized to Provide Professional Services to:

Official Committee of Tort Claimants

19 Period for which compensation and  
20 reimbursement are sought:

March 1, 2019 through August 31, 2019

21 Amount of compensation and reimbursement  
sought:

\$152,954.00 (100%)

22 Amount of expense reimbursement sought as  
23 actual, reasonable, and necessary:

\$5,370.24

1                                   **SUMMARY OF FIRST AND FINAL INTERIM FEE APPLICATION**  
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3           Dundon's First and Final Monthly Fee Statement is being filed simultaneously herewith,  
4 seeking payment of 80% of \$152,954.00 in fees and reimbursement of 100% of \$5,374.00 in  
5 expenses. No other fee statements or applications have been previously submitted, nor have any  
6 fees been paid nor expenses reimbursed to date.  
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**SUMMARY OF COMPENSATION BY PROFESSIONAL  
FOR THE APPLICATION PERIOD**

<b>Name</b>	<b>Hours</b>	<b>Rate</b>	<b>Total Billed</b>
Matthew Dundon	130.8	630	\$ 79,884.00
Laurence Pelosi	59.0	630	\$ 37,170.00
John Roussey	10.4	550	\$ 5,720.00
Alex Mazier	54.3	600	\$ 30,180.00
<b>Total</b>	<b>254.5</b>		<b>\$ 152,954.00</b>

**SUMMARY OF COMPENSATION BY WORK TASK CODE  
FOR THE APPLICATION PERIOD**

<b>Task Code</b>	<b>Task Description</b>	<b>Hours</b>	<b>Total Billed</b>
1	Case Administration	9.7	\$6,075.00
2	Communications Platform	38.0	\$23,171.00
3	Corporate Governance	25.4	\$15,819.00
4	Court Proceedings	4.0	\$2,520.00
5	Future Wildfire Mitigation	19.4	\$9,267.00
6	Meetings and Communications with Committee Professionals	17.5	\$8,505.00
7	Meetings and Communications with Creditors	17.0	\$10,677.00
8	Public Policy	49.2	\$30,951.00
9	Rate Base	20.1	\$12,096.00
10	Real Estate	33.6	\$21,102.00
11	Retention and Fee Applications	20.4	\$12,771.00
	<b>Total</b>	<b>254.5</b>	<b>\$152,954.00</b>

1 Dundon Advisers LLC (“Dundon” or the “Applicant”), a financial advisor for the Official  
2 Committee of Tort Claimants (the “TCC”), representing the largest group of stakeholders in the  
3 jointly administered bankruptcy cases (the “Cases”) of PG&E Corporation and Pacific Gas and  
4 Electric Company (the “Debtors”), hereby submits its First and Final Interim Fee Application (the  
5 “Fee Application”) for allowance of compensation for professional services performed by Dundon  
6 for the period commencing March 1, 2019 through and including August 31, 2019 (the “Application  
7 Period”) and reimbursement of its actual and necessary expenses incurred during the Application  
8 Period.\*

10 The applicant seeks interim approval of compensation and reimbursement of expenses  
11 totaling \$158,324.24, which sum represents compensation for professional services rendered in the  
12 amount of \$152,954.00 and reimbursement for expenses incurred in the amount of \$5,370.24. The  
13 Applicant is seeking entry of an order pursuant to sections 330, 331, and 1103 of title 11, United  
14 States Code (the “Bankruptcy Code”); Rule 2016 of the Federal Rules of Bankruptcy Procedure  
15 (the “Bankruptcy Rules”); the Local Rules for the United States Bankruptcy Court for the Northern  
16 District of California (the “Local Rules”); the U.S. Trustee Guidelines for Reviewing Applications  
17 for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in  
18 Larger Chapter 11 Cases, effective November 1, 2013 (the “UST Guidelines”); the Guidelines for  
19 Compensation and Expense Reimbursement of Professional and Trustees, promulgated pursuant to  
20 Local Rule 9029-1, governing the narrative portion of fee applications, effective February 19, 2014  
21 (the “Narrative Guidelines”); and the Order Pursuant to 11 U.S.C §§ 331 and 105(a) and Fed. R.  
22 Bankr. P. 2016 for Authority to Establish Procedures for Interim Compensation and  
23 Reimbursement of Expenses of Professionals, entered on February 27, 2019 (the “Interim  
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27 \* By agreement with the Tort Claims Committee, this Fee Application does not reflect Dundon’s actual time in non-  
28 working travel nor its actual time spent on retention and fee application matters, the former being limited to four hours  
each way and to 50% of rates for such time; the latter being substantially reduced for periods preceding July 31, 2019  
and omitted altogether for periods thereafter.

1 Compensation Order” and collectively, the “Guidelines”). This Application is based upon the  
2 contents hereof, together with the exhibits; the certification of Matthew Dundon filed concurrently  
3 herewith; the pleadings, papers, and records on file in the cases; and any evidence or argument that  
4 the Court may entertain at the time of the hearing on the Application.

5  
6 Pursuant to the Narrative Guidelines, a cover letter enclosing this Application is being sent  
7 to the Chair of the TCC concurrently. The letter invites the Chair to discuss with the Applicant  
8 and/or the Office of the United States Trustee any objections, concerns, or questions the Chair may  
9 have regarding the requested compensation and reimbursement set forth in the Application. A copy  
10 of the transmittal letter is attached hereto as Exhibit F.

11  
12 This Fee Application summarizes the services rendered by Dundon on behalf of the TCC  
13 during the Application Period. A breakdown of the hours and fees by professional is attached hereto  
14 as Exhibit A. A breakdown of the hours and fees by task code is attached hereto as Exhibit B. A  
15 breakdown of expenses by expense type is attached hereto as Exhibit C. A detailed copy of the time  
16 records by professional and by task code is attached hereto as Exhibit D. A detailed copy of the  
17 expense records by professional and expense type is attached here to as Exhibit E.

#### 18 **TERMS AND CONDITIONS OF EMPLOYMENT**

19 1. Dundon is compensated on an hourly fee basis, plus reimbursement of actual and necessary  
20 expenses incurred. For further information regarding the terms and conditions of Dundon’s  
21 retention, please refer to the Retention Order (defined below).

#### 22 **RELEVANT BACKGROUND**

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24 2. On January 29, 2019 (the “Petition Date”), the Debtors filed the Cases. The Debtors  
25 continue to operate their businesses and manage their properties as debtors-in-possession pursuant  
26 to sections 1107(a) and 1108 of the Bankruptcy Code. The Cases are being jointly administered for  
27 procedural purposes only pursuant to Bankruptcy Rule 1015(b).  
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1 3. On February 15, 2019, the Office of the United States Trustee (“UST”) filed an  
2 Appointment of the Official Committee of Tort Claimants [Docket No. 453]. Following the  
3 resignation of Richard Heffern from the original TCC and the addition of Tommy Wehe, on  
4 February 21, 2019, the UST filed the Amended Appointment of the Official Committee of Tort  
5 Claimants [Docket No. 530]. The current members of the TCC are: (i) GER Hospitality, LLC, in  
6 its capacity as an individual claimant; (ii) Kirk Trostle; (iii) Tommy Wehe; (iv) Angelo Loo; (v)  
7 Karen K. Gowins; (vi) Agajanian, Inc.; (vii) Susan Slocum; (viii) Samuel Maxwell; (ix) Karen M.  
8 Lockhart; (x) Wagner Family Wines-Caymus Vineyards; and (xi) Gregory Wilson.

10 4. On August 22, 2019, the TCC filed its Application to Employ Dundon Advisers LLC as  
11 Financial Advisor Effective as of March 1, 2019 [Docket No. 3667] (the “Retention Application”).  
12 On September 26, 2019, the Court entered its Order Approving the Application of the Official  
13 Committee of Tort Claimants Pursuant to 11 U.S.C. § 1103 and Fed. R. Bankr. 2014 and 5002 to  
14 Retain and Employ Dundon Advisers LLC as Financial Advisors Effective as of March 1, 2019  
15 [Docket No. 4015] (the “Retention Order”). By Agreement with the Tort Claim Committee,  
16 Dundon Advisers LLC discontinued its active services to the TCC.

18 5. On May 28, 2019, the Court entered an order appointing Bruce A. Markell as fee examiner  
19 (“Fee Examiner”) in the Cases [Docket No. 2267]. Dundon has communicated with the Fee  
20 Examiner, and it has supplied information to the Fee Examiner as requested and necessary for the  
21 Fee Examiner to evaluate the reasonableness of the compensation sought in this Application.

#### 23 **RELIEF REQUESTED AND BASIS FOR RELIEF**

24 6. This Application is Dundon’s first and final interim request for allowance and payment of  
25 fees and expenses as financial advisor to the TCC.

26 7. Pursuant to Bankruptcy Code §§ 330 and 331, Dundon respectfully requests entry of an  
27 order, on an interim basis, allowing and approving \$158,324.24, which sum represents  
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1 compensation for professional services rendered in the amount of \$152,954.00 and reimbursement  
2 for expenses incurred in the amount of \$5,370.24. The services and expenses for which interim  
3 compensation is sought herein were rendered for and on behalf of the TCC. Dundon respectfully  
4 submits that the nature of the services has been necessary and beneficial to the TCC in maximizing  
5 their recoveries.  
6

7 8. Dundon's retention and corresponding engagement scope have been to serve as a financial  
8 advisor to the TCC during the pendency of the Cases through April 30, 2019, in specific capacities.  
9 The TCC and its counsel Baker & Hostetler LLP ("Baker" or "Counsel") required Dundon to  
10 dedicate senior resources to many specific assignments and case issues in these matters. This is  
11 reflected in the professionals involved and hours worked.  
12

13 10. Further, Dundon has made every effort to ensure that this Application complies with the  
14 Guidelines and to avoid unnecessary duplication of effort by and among its team members, as well  
15 as with other retained professionals in these cases. Dundon has supplied the Fee Examiner and the  
16 UST with Dundon's monthly fee statement in an electronic format (Excel) Dundon believes is  
17 acceptable to the Fee Examiner and the UST. Pursuant to Bankruptcy Code § 504, Dundon has no  
18 understanding, agreement, or arrangement of any kind to divide with or pay to anyone any fees that  
19 may be awarded to Dundon in the Bankruptcy Cases, other than as may be shared among the  
20 members of Dundon.  
21

#### 22 **SUMMARY OF PROFESSIONAL SERVICES RENDERED**

23 11. The Debtors' Cases are among the largest and most complex cases in history. There are  
24 many issues and considerations impacting the TCC and tort claimants' potential recoveries. The  
25 specific tasks, the number of hours devoted, and the amounts charged within each billing category  
26 are set forth below.  
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1 a. Public Policy: Dundon assisted the TCC to understand the strategic and tactical orientation  
2 of state legislative, executive and administrative bodies and individuals to the issues in these cases,  
3 and Dundon reviewed and analyzed meetings and publications of such bodies and individuals.  
4 Dundon did not lobby on behalf of the TCC or any other persons. The total hours and amount  
5 charged by Dundon to this matter during the Application Period were 49.4 hours and \$30,951  
6 respectively.  
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8 b. Communications Platform: Dundon identified vendors, drafted requests for proposals,  
9 discussed potential proposal matters with vendors, and reviewed and analyzed submitted requests  
10 for proposals for the TCC's tort claimant communication platform. The total hours and amount  
11 charged by Dundon to this matter during the Application Period were 38 hours and \$23,171  
12 respectively  
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14 c. Real Estate: Dundon assisted the Committee to identify and assess material real estate assets  
15 and liabilities of the Debtors and to prepare to engage with the Debtors and other stakeholders  
16 regarding the sale of real estate, the assumption and rejection of real property leases, and the  
17 Debtors' strategic real estate opportunities. The total hours and amount charged by Dundon to this  
18 matter during the Application Period represents 33.6 hours and \$21,102 in fees.  
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20 d. Corporate Governance: Dundon assisted the Committee to identify issues and concerns  
21 material to the treatment of tort claimants in the process which led to the reconstitution of the Board  
22 of Directors of PG&E Corporation in the early months of these cases. The total hours and amount  
23 charged by Dundon to this matter during the Application Period were 25.4 and \$15,819  
24 respectively.  
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26 e. Retention and Fee Application occupied (for the partial portion of that time which has been  
27 agreed with the Committee as billable) 20.4 hours and resulted in \$12,771 in fees.  
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1 f. Rate Base: Dundon assisted the Committee to identify and commence its assessment of  
2 issues relating to the Debtors' utility rate-base, significant in the reorganized enterprise value of the  
3 debtors which in turn impacts the ability of the debtors to provide a recovery upon tort claims. The  
4 total hours and amount charged by Dundon to this matter during the Application Period were 20.1  
5 and \$12,096 respectively.

6  
7 g. Meetings and Communications with Creditors consumed 17 hours and resulted in \$10,677  
8 in fees.

9 h. Future Wildfire Mitigation. Dundon assisted the Committee to identify and commence its  
10 assessment of issues relating to the mitigation of future wildfires, which impacts the ability to pay  
11 pre-petition tort claims. The total hours and amount charged by Dundon to this matter during the  
12 Application Period were 19.4 and \$9,267 respectively.

13  
14 i. Meetings and Communications with Committee Professionals consumed 17.5 hours and  
15 resulted in \$8,505 in fees.

16 j. Case Administration: Dundon provided the Committee with a variety of support in the early  
17 management and administration of these cases. The total hours and amount charged by Dundon to  
18 this matter during the Application Period were 9.7 hours and \$6,075 respectively.

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20 k. Court Proceedings: Dundon attended and/or monitored a limited number of court  
21 proceedings in these cases. The total hours and amount charged by Dundon to this matter during  
22 the Application Period were 4.0 and \$2,520 respectively.

### 23 CONCLUSION

24 12. Dundon believes that this Application appropriately sets forth the significant services  
25 Dundon performed on behalf of the TCC and provides this Court, the UST, the Fee Examiner, the  
26 Debtors' creditors, and other interested parties with an insightful overview of the scope of services  
27 rendered. Thus, Dundon respectfully submits that the fees and expenses sought herein are  
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1 reasonable and that the services rendered were necessary, effective, efficient, and  
2 economical. Accordingly, Dundon respectfully requests that this Application for allowance of  
3 fees and expenses, on an interim basis, be granted in all respects.  
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7 Dated: November 14, 2019

**DUNDON ADVISERS LLC**

8 By: /s/ Matthew Dundon

9 Financial Advisor to the Official Committee of Tort  
10 Claimants  
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## CERTIFICATION

I, Matthew Dundon, declare as follows:

The following facts are personally known to me, and if called to do so, I could and would competently testify thereto.

1. I am a Principal at Dundon Advisers LLC (“Dundon”). I submit this certification in support of the First Interim Application of Dundon Advisers LLC for Allowance and Payment of Compensation and Reimbursement of Expenses for the Period March 1, 2019 through August 31, 2019 (the “Application”).

2. I have personally reviewed the information contained in the Application and believe its contents to be true to the best of my knowledge, information and belief.

3. The compensation and expense reimbursement sought in this Application, to the best of my knowledge, information and belief, after reasonable inquiry, is in conformity with sections 330, 331, and 1103 of title 11, United States Code; Rule 2016 of the Federal Rules of Bankruptcy Procedure; the Local Rules for the United States Bankruptcy Court for the Northern District of California; the Order Pursuant to 11 U.S.C §§ 331 and 105(a) and Fed. R. Bankr. P. 2016 for Authority to Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, entered on February 27, 2019; the U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases, effective November 1, 2013; and the Guidelines for Compensation and Expense Reimbursement of Professional and Trustees, promulgated pursuant to Local Rule 9029-1, governing the narrative portion of fee applications, effective February 19, 2014 (the “Narrative Guidelines”).

4. The compensation and expense reimbursement requested in this Application are billed at rates, in accordance with practices, no less favorable than those customarily employed by Dundon

1 and generally accepted by Dundon's clients, and do not reflect a generally-applicable increase in  
2 Dundon's fees that was placed into effect on July 1, 2019 and which have been generally accepted  
3 by Dundon's clients thereafter.

4 Dated: November 14, 2019

**DUNDON ADVISERS LLC**

6 By: /s/ Matthew Dundon

7 Financial Advisor to the Official Committee of Tor  
8 Claimants